



**Agenda Item Number: 2006-9-7A**

## **BERNALILLO COUNTY BOARD OF COUNTY COMMISSIONERS**

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**Meeting Date:** September 12, 2006

**Department:** County Manager   **Staff Contact:** Daniel Gutiérrez, Economic Development  
Julie Baca, Deputy County Manager,  
Community Services  
Dan Mayfield, Comptroller  
Tommy Hughes, Hughes and Strumor Ltd.,  
Inc., Bond Counsel

**TITLE:** Industrial Revenue Bond project for Prime Therapeutics Inc.

**ACTION:** Motion to adopt **Ordinance 2006-\_\_\_\_\_** authorizing issuance of industrial revenue bonds to Prime Therapeutics Inc.

### **SUMMARY:**

The Bernalillo County Office of Economic Development has received an application and project plan for Prime Therapeutics Inc. Prime Therapeutics LLC is a pharmacy benefits company providing services to approximately 8.5 million clients, which includes several Blue Cross and Blue Shield plans, employers, union groups and third party administrators. Prime offers a full range of pharmacy management services including, claims processing, drug utilization review, formulary management, predictive benefit modeling and analysis, and trend forecasting.

The company seeks up to \$ 9,500,000.00 of non-taxable industrial revenue bonds pursuant to 4-59-1 et seq. NMSA 1978. Prime Therapeutics will construct a state of the art, highly automated Mail Order Pharmacy within an existing facility at 4580 Paradise Blvd. NW, Albuquerque, NM. On August 9<sup>th</sup>, 2006 the Board approved Administrative Resolution AR 67-2006 Inducement Resolution concerning industrial revenue bonds in connection with a proposed project for Prime Therapeutics.

In accordance with the procedures specified in the County's Revenue Bond Project Evaluation Policies and Procedures (County Code, Article IV, Division 3), the County Manager submits the attachments to adopt an Ordinance authorizing the issuance and sale of Industrial Revenue Bonds for this project. The 9.005% Mill Rate attributable to the Albuquerque Public Schools and the 6.5% for the University of New Mexico Hospital will not be abated. Payments to the Albuquerque Public Schools and the University of New Mexico Hospital are defined in Sections 6.4 and 6.5. In the event of default, the remedies are addressed in Section 16 of the Bond Documents and the Lease Agreement.

**ATTACHMENTS:**

1. Ordinance
2. Lease Agreement
3. Bond Purchase Agreement
4. Indenture

**FISCAL IMPACT**

No fiscal impact at this time.

**STAFF ANALYSIS SUMMARY****COUNTY MANAGER**

See Summary

**LEGAL**

Hughes and Strummer, Ltd prepared the Ordinance

**FINANCE**

**Budget**     The County has no financial obligation for the industrial revenue bond indebtedness. If approved, Prime Therapeutics will be required to pay the County Payment in Lieu of Taxes (PILT) for the benefit of APS and UNMH. Maria Zuniga, Budget Administrator 9/6/06